



TINA KOTEK
GOVERNOR

August 4, 2023

The Honorable Rob Wagner
President of the Senate
S-201 State Capitol
Salem, OR 97301

The Honorable Dan Rayfield
Speaker of the House
H-269 State Capitol
Salem, OR 97301

Dear President Wagner and Speaker Rayfield,

Today, I am signing House Bill 2010, which authorizes critically important water quantity and quality work.

In 2021 and 2023, the Legislature passed significant water policy and budget allocations in recognition of the need to take actions to secure our water future in Oregon. Implementing these legislative accomplishments has the potential to make a tangible difference in the way both consumptive and instream water needs are managed. To that end, I am focused on making sure the implementing agencies are poised to be successful.

House Bill 2010 specifically assigns a number of program expectations to the Oregon Water Resources Department (OWRD), which are additive to other initiatives passed in both the 2021 and 2023 legislative sessions. This, along with the fact that the budgetary resources provided by House Bill 2010 are less than those identified as necessary by OWRD when the bill was being considered, raises concern that expectations for the timing of program implementation may not be achievable.

The water management challenges Oregon faces are great, and my administration will work with OWRD to make every effort to accomplish timely implementation of work directed by House Bill 2010. That said, I will be asking the agency to work closely with my staff and the chairs of relevant legislative committees to inventory and prioritize implementation of the full suite of policy initiatives currently pending from recent legislation. To the extent resource gaps exist that will hinder effective implementation of prioritized work to manage Oregon's water challenges, I will ask that we come together to take appropriate steps to help OWRD succeed in delivering its mission.

In addition, given the aggregation of "minimal fiscal" impacts associated with collaborating and consulting on various projects and initiatives under the bill, the Department of Environmental Quality (DEQ) sought but was not fully provided with its needed staffing resources. Without those resources, DEQ anticipates impacts to certain areas of core agency work.

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Sections 5 (well abandonment consultation) and 28 (aquifer storage and recovery grant program) will draw from existing core agency work, as DEQ currently only has one position who performs this type of work. DEQ may experience delays or impacts to permitting evaluations where there is a groundwater nexus or surface water/groundwater interface, groundwater management area-related evaluations, or land application and water reuse evaluations.

Additionally, Sections 8 (Lake Abert and the Chewaucan River Watershed work consultation) and 10 (Integrated Water Resources Strategy) present implementation challenges. DEQ has two Integrated Water Resources Strategy positions covering the entire state, reduced from three in recent biennia. DEQ was authorized two place-based planning positions through House Bill 2010 whose skill set would be transferrable to IWRS development and implementation and who may play a supporting role in the Oregon Consensus process for the Lake Abert and Chewaucan watershed -- but only if DEQ is permitted to redistribute work between the two existing IWRS positions and the two new place-based planning positions. DEQ additionally proposed, but was not authorized, a 0.75 FTE for operations and policy analysis to support this package of new work directed under the bill.

It is my expectation that DEQ will work with the Legislature in the interim and future sessions to ensure that core functions are adequately resourced.

Finally, the bill provides pass-through funding to the Department of Administrative Services (DAS) for grants to soil and water conservation districts. However, the bill also requires that these grants are provided within 60 days of the effective date of the bill. Given the timing needed for legal sufficiency review for new contracts, this 60-day timeline is difficult to meet. DAS will work as quickly as possible to get the grants executed and funding distributed.

Thank you for your attention to this important matter.

Sincerely,



Governor Tina Kotek

TK:smg

CC: Representative Ken Helm
Representative Mark Owens
Senator Elizabeth Steiner
Representative Tawna Sanchez
Director Doug Woodcock, Oregon Water Resources Department
Director Leah Feldon, Oregon Department of Environmental Quality